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**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF WASHINGTON**

In re:

Case No. 24-01421-FPC11

IDEAL PROPERTY INVESTMENTS, LLC,
Debtor.

APPLICATION FOR RELIEF FROM
STAY

I. RELIEF REQUESTED

James Group International, LLC, a Nevada limited liability company ("**James Group**"), party in interest and creditor to Debtor in the above-titled action, by and through undersigned counsel, moves for an order of the Court granting relief from the automatic stay pursuant to 11 U.S.C. § 362(d)(1) and Federal Rule of Bankruptcy Procedure ("**FRBP**") 4001(a)(1), solely to record and perfect its lien with respect to a secured debt in water vending machines. If relief is granted in accordance with this motion, James Group also requests that the 14-day stay of the order for relief imposed by FRBP 4001(a)(3) be waived in order to secure James Group's lien position. James Group is seeking to record its lien for protection from future encumbrances and to file a valid Proof of Claim before the applicable case deadline.

II. PROCEDURAL HISTORY

James Group entered into a Service and Management Agreement with Water Station Management, LLC ("**WSM**") on November 12, 2019 (the "**Service Agreement**"). Pursuant to the terms of the Service Agreement, James Group provided WSM with a loan of \$4,100,000, to be collateralized by water refilling/service machines with matching serial numbers. See *Declaration of Paul Barrera*, Ex. A. WSM defaulted on its obligations.

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1 *Extenuating Circumstances for Lack of Perfection*

2 At the time the loan was made, James Group was under the control of Ronald James
3 (deceased) (“**Ronald**”). Ronald was diagnosed with Parkinson’s disease in 2016. Over time, he
4 displayed signs of dementia related to his Parkinson’s, his decision making became increasingly
5 impaired by occasional staring spells and "hallucinations". He would at times fall asleep at his
6 desk. Not long after the contract with WSM was signed, Ronald James required assistance with a
7 wheelchair. By early-2024, Ronald was diagnosed with two (2) large glioblastomas in his brain.
8 His providers agreed that the locations of the tumors could have created symptoms similar to his
9 initial Parkinson’s diagnosis. Ronald James died April 20th, 2024. From 2019 onwards, Ronald
10 lacked the capability to properly pursue the UCC filings due to diminished cognitive faculties.

11 *See Declaration of Donald James.*

12 *Basis for Filing*

13
14 In this matter and other cases similarly situated, including those in the Southern
15 District of Texas (Creative Technologies, LLC, Cause No. 4:24-bk-33934, Refreshing USA
16 LLC, Cause No. 4:24-bk-33919, and Water Station Management LLC, Case No. 4:24-bk-33924)
17 the record suggests that Ryan Wear, former manager of Debtor, disregarded corporate formalities
18 and moved investor money from one entity to another in “random fashion”, “sweeping” funds so
19 that the “ledger balance [was] near zero at the end of each month” *See Declaration of Paul*
20 *Barrera*, Ex. B & Ex. C. As such, James Group has good faith reason to believe that at least
21 some of the proceeds provided to WSM and the secured property may have ended up in Debtor.

22 Having conducted an extensive review of security filings, James Group is unaware of
23 any other creditor claiming security in the machines at issue. To properly file a Proof of Claim in
24 the above-titled case before the deadline for filing claims, James Group must file a UCC
25 statement.

26 **III. ARGUMENTS**

27 *James Group is requesting to record its lien, no more*

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1 Pursuant to 11 U.S.C. § 362(d)(1), the automatic stay may be modified or terminated
2 for cause, including lack of adequate protection in the property. This section of the statutes gives
3 a court "...wide latitude in crafting relief from the automatic stay, including the power to grant
4 retroactive relief from the stay." *In re Kissinger*, 72 F.3d 107 (9th Cir. 1995). What constitutes
5 "cause" for granting relief from the automatic stay is decided "on a case-by-case basis, with
6 reference to the interest asserted and how [that] interest is affected by the automatic stay." *In re*
7 *Kronmeyer*, 405 B.R. 915, 921 (9th Cir. BAP 2009).

8 Without relief from the stay to file its lien, James Group lacks the ability to perfect its lien
9 and file a Proof of Claim with this court as a secured creditor. James Group does not seek relief at
10 this time to execute against Debtor's real property or any asset subject to Debtor's bankruptcy
11 estate except to file and perfect its lien. James Group would file a separate motion for relief from
12 stay before proceeding with any enforcement actions, such as executing on the judgment under
13 Wash. Rev. Code § 6.17.

14 IV. CONCLUSION

15 Good cause exists for this Court to grant James Group limited relief from the automatic
16 stay under 11 U.S.C. § 362(d)(1) to perfect its lien and waive the 14-day stay of the order for relief
17 imposed by FRBP 4001(a)(3).

18 DATED this Monday, October 21, 2024.

19 NORTH CITY LAW, PC

20 /s/ Paul A. Barrera

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